



THOMAS L. GARTHWAITE, M.D.  
Director and Chief Medical Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
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BOARD OF SUPERVISORS

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November 10, 2005

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite", is written over the printed name and title.

SUBJECT: **PATIENT ACCOUNT COMPROMISE REPORT -  
FIRST QUARTER FISCAL YEAR (FY) 2005 - 2006**

Attached is DHS' quarterly report of approved account compromises which shows the liability reduced and the reasons for such reductions. For the first quarter covering July 1, 2005 through September 30, 2005, total liability reductions were \$2.7 million (28%) and corresponding approved compromise offers were \$6.9 million (72%).

If you have questions or desire additional information, please let me know.

TLG:lg (A:\stocker\FY04054CompromiseReportQ3\FY0506Q1.doc)  
02-06-06-002

Attachment

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller  
Treasurer Tax Collector

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES**  
**APPROVED PATIENT ACCOUNT COMPROMISES**  
**FISCAL YEAR 2005 - 2006**  
**FIRST QUARTER**

| FACILITY | NUMBER OF<br>ACCOUNTS | APPROVED<br>OFFER OF<br>LIABILITY<br>REDUCTION | REASON(S) FOR COMPROMISE |
|----------|-----------------------|--|--------------------------|
|----------|-----------------------|--|--------------------------|

|                                 |     |              |  |
|---------------------------------|-----|--------------|--|
| <b>NORTHEAST AREA</b>           |     |              |  |
| Hospital                        | 223 | \$ 2,964,111 | \$ 1,240,595   |
|                                 |     |              | One-Hundred-ninety-three (193) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations. |
| CHC/HC                          | 0   | \$ -         | \$ -   |
|                                 |     |              | Thirteen (13) accounts as amounts exceeded patients' current financial resources to pay.   |
| <b>SOUTHWEST AREA</b>           |     |              |  |
| Hospital                        | 36  | \$ 432,218   | \$ 189,557   |
|                                 |     |              | Thirty-four (34) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.               |
| CHC/HC                          | 0   | \$ -         | \$ -   |
|                                 |     |              | Two (2) accounts as third-party claims settled.  |
| <b>SAN FERNANDO VALLEY AREA</b> |     |              |  |
| Hospital                        | 54  | \$ 246,266   | \$ 118,852   |
|                                 |     |              | Thirty-nine (39) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.               |
| CHC/HC                          | 0   | \$ -         | \$ -   |
|                                 |     |              | Fifteen (15) accounts as amounts exceeded patients' current financial resources to pay.  |
| <b>COASTAL AREA</b>             |     |              |  |
| Hospital                        | 205 | \$ 3,273,215 | \$ 1,118,899   |
|                                 |     |              | Ninety-eight (98) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.              |
|                                 |     |              | Eighty-five (85) accounts as amounts exceeded patients' current financial resources to pay.  |
| CHC/HC                          | 0   | \$ -         | \$ -   |
|                                 |     |              | Twenty-two (22) accounts as third-party claims settled.  |
| <b>ANTELOPE VALLEY AREA</b>     |     |              |  |
| Hospital                        | 8   | \$ 1,950     | \$ 1,000   |
|                                 |     |              | Eight (8) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.                      |
| CHC/HC                          | 0   | \$ -         | \$ -   |
|                                 |     |              |  |
| <b>RANCHO LOS AMIGOS</b>        |     |              |  |
| TOTAL RANCHO LOS AMIGOS         | 2   | \$ 59,820    | \$ 58,995  |
|                                 |     |              | Two (2) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.                        |

|   |     |              |              |
|---|-----|--------------|--------------|
| <b>COLLECTION RATIO FY 05-06 - 1ST QTR ALL FACILITIES</b> |     |              |              |
|   | 528 | \$ 6,977,580 | \$ 2,727,898 |
| <b>COLLECTION RATIO FY 05-06 - ALL FACILITIES</b>         |     |              |              |
|   |     |              | 72%          |
| <b>COLLECTION RATIO FY 04-05 ALL FACILITIES</b>           |     |              |              |
|   |     |              | 67%          |